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Evaluation

Joint management response to the joint terminal evaluation of the implementation of the cooperation agreement between the United Nations Industrial Development Organization and UNDP

A. Summary

1. The Administrator of UNDP and the Director General of the United Nations Industrial Development Organization (UNIDO) welcome the overall findings of the evaluation team and agree to continue consultations on ways to strengthen collaboration between their organizations in the light of the joint terminal evaluation report and in the context of United Nations reform and system-wide coherence initiatives.

B. Detail

2. The heads of UNDP and UNIDO appreciate the work of the evaluation team in preparing a comprehensive, informative and insightful report drawing on a high-quality analysis of the results of the 2004 cooperation agreement between UNIDO and UNDP.

3. The evaluation highlights three overarching findings: (a) that the operations of the UNIDO Desks enabled UNIDO to (i) expand its field presence in a cost-effective manner, (ii) contribute to the work of the United Nations country teams, and (iii) respond to requests for assistance from countries where it previously had no field presence; (b) that increased UNIDO field presence can be achieved using national staff; and (c) that the joint UNDP-UNIDO Private Sector Development Programme did not achieve the intended results, and is in large measure rendered less relevant in the context of system-wide efforts to achieve coherence and to deliver increasingly 'as one'.

4. In 2004, when the agreement was signed, it was seen as a model of cooperation in the United Nations system, based on the comparative and complementary strengths of the two organizations. In the five years since the

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Agreement was signed, however, there has been a significant enhancement in the United Nations system approach to country-level cooperation and coherence.

5. General Assembly resolutions, especially the triennial comprehensive policy review of operational activities for development (TCPR), have mandated: (a) system-wide coherence and harmonized business practices; (b) changes to the inter-agency governance structures, including the integration of the United Nations Development Group (UNDG) as the third pillar of the Chief Executives Board (CEB); (c) the development of the High-Level Committee on Policy, High-Level Committee on Management policies and UNDG procedures, mechanisms, and tools, to strengthen and provide guidance on joint programming, funding modalities, and implementation processes for efficiency, coherence, and cooperation in operational activities; and (d) improvements in cooperation and coherence resulting from strengthening of the resident coordinator system, harmonizing programming cycles, increased involvement of non-resident organizations in the preparation of United Nations Development Assistance Frameworks (UNDAFs) and joint programmes, and lessons learned from the 'delivering as one' initiative.

6. As a result of those developments, the 2004 bilateral cooperation framework between UNDP and UNIDO has become less relevant to the delivery of country-level technical cooperation. Instead, UNDP and UNIDO are engaged, along with other parts of the United Nations system, in enhancing inter-agency cooperation, and they are promoting policy coherence in such forums as the Donors Committee for Enterprise Development, the CEB Cluster on Trade and Productive Capacity, UN-Energy, and the Industry, Trade and Market Access Cluster led by the Economic Commission for Africa, in which UNDP and UNIDO are active participants.

7. The suggested reforms in the evaluation regarding the UNIDO 'desks' are appreciated and will be taken into consideration when planning for expansion of the field representation. Both organizations agree with the evaluation team that the expansion of UNIDO field representation should continue when nationally identified United Nations programming would benefit from a UNIDO field presence provided that it is brought about in a step-by-step fashion, taking into account UNDAFs that are nationally led and supported by the United Nations country team, and other joint programming processes, and the capacity and resources of UNIDO to respond.

8. The organizations will formulate a corporate memorandum of understanding describing umbrella provisions for areas of cooperation and a framework for future collaboration. In taking the cooperation forward, the Administrator of UNDP and the Director-General of UNIDO will seek to enhance coherence, cooperation and coordination in the wider context of United Nations reform, at country, regional and global levels.